GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

STARRED QUESTION NO:413
ANSWERED ON:19.12.2001
REVIVAL OF NHDP
GORDHANBHAI JAVIA;T.M. SELVAGANAPATHI

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Union Government have decided to revive National Highways Development Project;

(b) if so, whether the Prime Minister had a discussion in this regard with the Union Minister and the Deputy Chairman of Planning Commission;

(c) if so, the details thereof;

(d) whether the National Highways Authority of India is planning to raise funds from LIC and borrowings from the market by floating bonds for funding its National Highways Development Projects;

(e) if so, the facts thereof and terms and conditions laid down therefor;

(f) whether NHAI propose to wind up its agreement with World Bank and Asian Development Bank; and

(g) if so, the reasons therefor?

Answer

MINISTER OF STATE FOR ROAD TRANSPORT AND HIGHWAYS (INDEPENDENT CHARGE) (MAJOR GENERAL (RETI KHANDURI, AVSM)

(a) to (g) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF LOK SABHA STARRED QUESTION NO. 413 FOR ANS ON 19TH DECEMBER, 2001 ASKED BY SHRI T.M. SELVAGANAPATHI AND SHRI JAVIYAREGARDING REVIVAL OF NHDP.

(a) to (c) Presentations on National Highway Development Project (NHDP) were made by Chairman, National Highways Authority o India (NHAI) on 26th May, 2000 and 5th September, 2001 before the Hon`ble Prime Minister.Those who attended included Dy. Chairman, Planning Commission. Progress of NHDP Phase-I, as well as likely financing for NHDP Phase-II were discussed.

(d) Yes, Sir.

(e) The Authority has initiated negotiations with LIC for long term funds required for the NHDP.The terms and conditions are yet to be finalised. Regarding borrowing from the market, NHAI is one of the Institutions permitted to raise funds by floating bonds under Section 54 EC of Income Tax Act.Besides, to partly finance NHDP, NHAI proposes to tap the market for borrowings with maturity of 10-15 years. Interest rates on these bonds depend on prevailing market factors.

(f) No, Sir.

(g) Does not arise.